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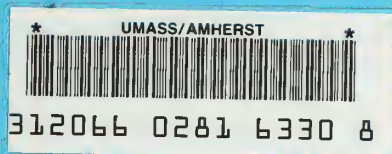


A. JOSEPH DeNUCCI  
AUDITOR

# The Commonwealth of Massachusetts

AUDITOR OF THE COMMONWEALTH

ONE ASHBURTON PLACE, ROOM 1819  
BOSTON 02108



(617) 727-6200

NO. 2000-3002-8

INDEPENDENT STATE AUDITOR'S REPORT  
ON THE ACTIVITIES OF THE  
SPRINGFIELD HOUSING AUTHORITY  
APRIL 1, 1998 TO MARCH 31, 1999

GOVERNMENT DOCUMENTS  
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OFFICIAL AUDIT REPORT

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# The Commonwealth of Massachusetts

## AUDITOR OF THE COMMONWEALTH

ONE ASHBURTON PLACE, ROOM 1819  
BOSTON, MASSACHUSETTS 02108

A. JOSEPH DeNUCCI  
AUDITOR

TEL. (617) 727-6200

2000-3002-8

### INDEPENDENT AUDITOR'S REPORT

Sadie B. Johnson, Chairperson  
Springfield Housing Authority  
25 Saab Court  
Springfield, Massachusetts 01101

We have audited the Springfield Housing Authority's financial statements as of and for the fiscal year ended March 31, 1999, as listed in the Table of Contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in the Notes to Financial Statements, No. 2, the Authority's records are maintained on bases of accounting prescribed by the Commonwealth's Department of Housing and Community

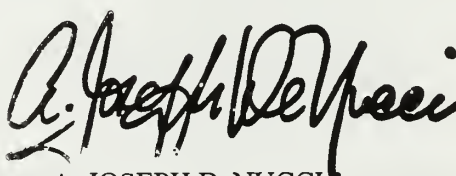
Development (DHCD) and the U.S. Department of Housing and Urban Development (HUD), which are comprehensive bases of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Springfield Housing Authority as of March 31, 1999, and the results of its operations for the fiscal year then ended, in conformity with the bases of accounting prescribed by DHCD and HUD.

In accordance with Government Auditing Standards, we have also issued a report dated December 10, 1999 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Our audit was performed for the purpose of forming an opinion on the financial statements of the Springfield Housing Authority, taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statements. The information in the schedule has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

December 10, 1999

A handwritten signature in black ink, reading "A. Joseph DeNucci". The signature is stylized with a large, prominent "A" and "D".

A. JOSEPH DeNUCCI  
Auditor of the Commonwealth





# The Commonwealth of Massachusetts

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### REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Sadie B. Johnson, Chairperson  
Springfield Housing Authority  
25 Saab Court  
Springfield, Massachusetts 01101

We have audited the Springfield Housing Authority's financial statements as of and for the fiscal year ended March 31, 1999, and have issued our report thereon dated December 10, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

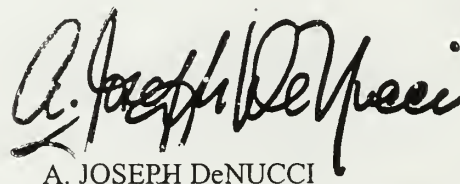
#### Compliance

As part of obtaining reasonable assurance about whether the Springfield Housing Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Springfield Housing Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the Springfield Housing Authority's Board of Commissioners, management, the Commonwealth's Department of Housing and Community Development, the U.S. Department of Housing and Urban Development, and other federal audit agencies. However, this report is a matter of public record, and its distribution is not limited.

A handwritten signature in black ink, appearing to read "A. Joseph DeNucci". The signature is stylized with a large, prominent "A" and "D".

A. JOSEPH DeNUCCI  
Auditor of the Commonwealth

December 10, 1999





# The Commonwealth of Massachusetts

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A. JOSEPH DeNUCCI  
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2000-3002-8

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### REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO STATE-AIDED FINANCIAL ASSISTANCE PROGRAMS

Sadie B. Johnson, Chairperson  
Springfield Housing Authority  
25 Saab Court  
Springfield, Massachusetts 01101

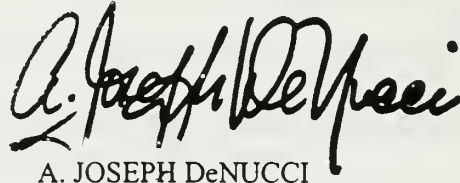
We have audited the Springfield Housing Authority's financial statements as of and for the fiscal year ended March 31, 1999 and have issued our report thereon dated December 10, 1999.

We have also audited the Authority's compliance with the requirements governing types of services, eligibility, reporting, and special tests and provisions that are applicable to its state-aided financial assistance programs, which are identified in the Supplementary Information section of this report, for the fiscal year ended March 31, 1999. The management of the Springfield Housing Authority is responsible for the Authority's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with those requirements in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Springfield Housing Authority complied, in all material respects, with the requirements governing types of services, eligibility, reporting, and special tests and provisions that are applicable to its state-aided financial assistance programs for the fiscal year ended March 31, 1999.

This report is intended for the information of the Springfield Housing Authority's Board of Commissioners, management, the Commonwealth's Department of Housing and Community Development, the U.S. Department of Housing and Urban Development, and other federal audit agencies. However, this report is a matter of public record, and its distribution is not limited.

A handwritten signature in black ink, appearing to read "A. Joseph DeNucci". The signature is stylized with a large, looped "A" and a long, sweeping underline.

A. JOSEPH DeNUCCI  
Auditor of the Commonwealth

December 10, 1999

## AUDIT RESULTS

### Status of Prior Audit Results

Our prior audit report of the Springfield Housing Authority (No. 99-3005-8), which covered the period April 1, 1997 to March 31, 1998, disclosed no reportable conditions and expressed unqualified opinions.

### Current Audit Results

Our current audit, which covered the period April 1, 1998 to March 31, 1999, disclosed no reportable conditions and expressed unqualified opinions.



## FINANCIAL STATEMENTS

Statement No. IRevolving FundBalance Sheet

March 31, 1999

Assets

Cash	\$ 92,748
Accounts Receivable	<u>9,400</u>
Total Assets	<u>\$ 102,148</u>

Liabilities and Advances

Accounts Payable	\$ 148
Advances	<u>102,000</u>
Total Liabilities and Advances	<u>\$ 102,148</u>

The accompanying notes are an integral  
part of these financial statements.

Statement No. IIPayroll AccountBalance Sheet

March 31, 1999

Assets

Cash	\$ 149,746
Accruals	<u>12,247</u>
Total Assets	<u>\$ 161,993</u>

Liabilities and Advances

Accounts Payable	\$ 14,993
Advances	<u>147,000</u>
Total Liabilities and Advances	<u>\$ 161,993</u>

The accompanying notes are an integral  
part of these financial statements.



## Statement No. III

## State-Aided Programs in Management

## Balance Sheets

March 31, 1999

	Assets										Liabilities and Surplus									
	Family Housing Program 200-1/8	Family and Elderly Housing Program 400	Elderly Housing Program 667-5/8	Special Needs Housing Program 689	Low-Income Family Housing 705-1/8	Mass. Rental Voucher Program	Mass. Dept. of Mental Health	Alternative Housing	Teller Program	Housing Innovations										
Cash	\$ 125,612	\$ 971,427	\$ 233,961	\$ 131,782	\$ 81,158	\$ 143,879	\$ 44,227	\$ 424	-	-										
Advances	6,400	59,700	11,800	-	2,000	4,000	-	-	-	-										
Accounts Receivable	1,728	(16,190)	(4,319)	4,719	1,723	3,874	-	-	-	-										
Investments	114,066	564,366	225,119	-	73,178	-	-	-	\$ 60,388	-										
Fiscal Agent Funds	-	(757)	-	-	-	-	-	-	-	-										
Deferred Charges	2,648	37,718	4,898	(2)	1,032	1,414	104	-	-	-										
Development Costs	-	10,919,244	2,675,000	2,434,290	1,332,182	-	-	-	-	-										
Inventory of Furniture and Equipment	134,396	712,295	245,324	24,296	21,364	1,388	-	-	-	\$ 4,020										
Modernization Costs	-	7,682,205	-	-	-	-	-	-	-	-										
Total Assets	\$ 384,850	\$ 20,930,008	\$ 3,391,783	\$ 2,595,085	\$ 1,512,637	\$ 154,555	\$ 44,331	\$ 424	\$ 60,388	\$ 4,020										
Liabilities and Surplus																				
Liabilities:																				
Accounts Payable	\$ 15,942	\$ 444,106	\$ 58,109	\$ 49	\$ 22,708	\$ 2,893	\$ 48	\$ 99	-	-										
Accrued Liabilities	3,011	241,580	50,324	6,291	9,738	25,097	-	-	-	-										
Deferred Credits	3,157	30,284	8,118	-	1,153	-	-	-	-	-										
Total Liabilities	\$ 22,110	\$ 715,970	\$ 116,551	\$ 6,340	\$ 33,599	\$ 27,990	\$ 48	\$ 99	-	-										
Grants Issued	-	10,919,244	2,675,000	2,434,290	1,332,182	-	-	-	-	-										
Completed Modernization Contributions	-	7,682,205	-	-	-	-	-	-	-	-										
Surplus	362,740	1,612,589	600,232	154,455	146,856	126,565	44,283	325	\$ 60,388	\$ 4,020										
Total Liabilities and Surplus	\$ 384,850	\$ 20,930,008	\$ 3,391,783	\$ 2,595,085	\$ 1,512,637	\$ 154,555	\$ 44,331	\$ 424	\$ 60,388	\$ 4,020										

The accompanying notes are an integral part of these financial statements.

Statement No. IVState-Aided Programs in ManagementOperating Statements

Fiscal Year Ended March 31, 1999

	Family Housing Program 200-1/8	Family and Elderly Housing Program 400	Elderly Housing Program 667-5/8	Special Needs Housing Program 689	Low- Income Family Housing 705-1/8	Mass. Rental Voucher Program	Mass. Dept. Of Mental Health	Alternative Housing	Teller Program	Housing Innovations
Operating Receipts:										
Shelter Rent	\$ 306,786	\$ 2,101,979	\$ 575,351	\$ 63,360	\$ 167,700	-	-	-	-	-
Nondwelling Rentals	-	4,000	-	-	-	-	-	-	-	-
Interest on Investments	6,650	67,537	11,866	6,753	4,660	\$ 65	-	-	\$ 2,467	-
Other Operating Receipts	6	8,149	3,141	-	12	-	-	-	-	-
Administrative Fee	-	-	-	-	-	88,000	\$ 2,950	\$ 325	-	-
Total Operating Receipts	\$ 313,442	\$ 2,181,665	\$ 590,358	\$ 70,113	\$ 172,372	\$ 88,065	\$ 2,950	\$ 325	\$ 2,467	-
Operating Expenditures:										
Administrative	\$ 27,683	\$ 265,801	\$ 66,715	\$ 27,136	\$ 5,652	\$ 44,912	\$ 101	-	-	-
Tenant Organization	-	1,296	306	-	-	-	-	-	-	-
Maintenance	75,473	967,097	122,619	-	21,169	-	-	-	-	-
General	30,989	365,576	53,536	16,429	17,637	11,739	-	-	-	-
Provision for Reserves	45,833	99,116	49,730	2,641	20,461	-	-	-	-	-
DHCD-Directed Costs	-	2,000	-	-	-	-	-	-	-	-
Debt Service	65,280	-	156,000	-	73,068	-	-	-	-	-
Utilities	50,090	1,042,143	76,858	-	24,059	-	-	-	-	-
Total Operating Expenditures	\$ 295,348	\$ 2,743,029	\$ 525,764	\$ 46,206	\$ 162,046	\$ 56,651	\$ 101	-	-	-

Statement No. IV (Continued)State-Aided Programs in ManagementOperating Statements

Fiscal Year Ended March 31, 1999

	Family Housing Program 200-1/8	Family and Elderly Housing Program 400	Elderly Housing Program 667-5/8	Special Needs Housing Program 689	Low- Income Family Housing 705-1/8	Mass. Rental Voucher Program	Mass. Dept. of Mental Health	Alternative Housing	Teller Program	Housing Innovations
Income/(Deficit) before Operating Subsidy Earned	\$ 18,094	\$ (561,364)	\$ 64,594	\$ 23,907	\$ 10,326	\$ 31,414	\$ 2,849	\$ 325	\$ 2,467	-
Operating Subsidy Earned	-	678,748	-	-	-	-	-	-	-	-
Income before Nonroutine Expenditures	\$ 18,094	\$ 117,384	\$ 64,594	\$ 23,907	\$ 10,326	\$ 31,414	\$ 2,849	\$ 325	\$ 2,467	-
Nonroutine Expenditures	35,712	303,762	49,454	5,581	25,389	752	-	-	-	-
Net Income/(Deficit)	\$ (17,618)	\$ (186,378)	\$ 15,140	\$ 18,326	\$ (15,063)	\$ 30,662	\$ 2,849	\$ 325	\$ 2,467	-

Year-End Settlement of Massachusetts Rental Voucher Program

Total Landlord Payments	\$ 1,054,304	\$ 20,790	\$ 5,281
Total Partial Payments Received from DHCD for Fiscal Year	1,055,656	20,790	5,381
Overpayment Due DHCD	\$ 1,352	-	\$ 100

The accompanying notes are an integral  
part of these financial statements.

Statement No. VState-Aided Program in ManagementAnalysis of Surplus

Fiscal Year Ended March 31, 1999

	Family Housing Program 200-1/8	Family and Elderly Housing Program 400	Elderly Housing Program 667-5/8	Special Needs Housing Program 689	Low- Income Family Housing 705-1/8	Mass. Rental Voucher Program	Mass. Dept. of Mental Health	Alternative Housing	Teller Program	Housing Innovations
<u>Valuation of Fixed Assets</u>										
Balance March 31, 1998	\$ 87,080	\$ 585,908	\$ 269,118	\$ 25,926	\$ 13,977	\$ 1,388	-	-	-	\$ 4,020
Purchase of Equipment	54,230	185,682	14,926	-	9,064	-	-	-	-	-
Sale of Fixed Assets	(6,914)	(58,859)	(38,448)	(1,630)	(1,677)	-	-	-	-	-
Balance March 31, 1999	\$ 134,396	\$ 712,731	\$ 245,596	\$ 24,296	\$ 21,364	\$ 1,388	-	-	-	\$ 4,020
<u>Debt Service Reserve</u>										
Balance March 31, 1998	-	\$ (757)	-	-	-	-	-	-	-	-
Balance March 31, 1999	-	\$ (757)	-	-	-	-	-	-	-	-
<u>Capital Reserve</u>										
Balance March 31, 1998	\$ 52,934	-	\$ 7,298	-	\$ 59,199	-	-	-	-	-
Provision for Capital Reserve	2,400	-	-	-	-	-	-	-	-	-
Balance March 31, 1999	\$ 55,334	-	\$ 7,298	-	\$ 59,199	-	-	-	-	-

## State-Aided Program in Management

### Analysis of Surplus

Fiscal Year Ended March 31, 1999

	Family Housing Program 200-1/8	Family and Elderly Housing Program 400	Elderly Housing Program 667-5/8	Special Needs Housing Program 689	Low-Income Family Housing 705-1/8	Mass. Rental Voucher Program	Mass. Dept. of Mental Health	Alternative Housing	Teller Program	Housing Innovations
Operating Reserve										
Balance March 31, 1998	\$ 147,195	\$ 987,877	\$ 282,468	\$ 109,192	\$ 60,895	\$ 94,515	\$ 41,434	-	\$ 57,921	\$ 4,020
Net Income/(Deficit)	(17,618)	(186,378)	15,140	18,326	(15,063)	30,662	2,849	\$ 325	2,467	-
Provision for Operating Reserve	43,433	99,116	49,730	2,641	20,461	-	-	-	-	-
Balance March 31, 1999	<u>\$ 173,010</u>	<u>\$ 900,615</u>	<u>\$ 347,338</u>	<u>\$ 130,159</u>	<u>\$ 66,293</u>	<u>\$ 125,177</u>	<u>\$ 44,283</u>	<u>\$ 325</u>	<u>\$ 60,388</u>	<u>\$ 4,020</u>
Total Surplus	\$ 362,740	\$ 1,612,589	\$ 600,232	\$ 154,455	\$ 146,856	\$ 126,565	\$ 44,283	\$ 325	\$ 60,388	\$ 4,020

The accompanying notes are an integral part of these financial statements.

Statement No. VIState-Aided Program in ModernizationBalance Sheet

March 31, 1999

Assets

Cash	\$ 27,707
Modernization Costs (Net):	
<u>Work Plan Number</u>	
1011	<u>361,519</u>
Total Assets	<u>\$ 389,226</u>

Liabilities and Capital

Capital Funding Source:	
Mansville Trust Fund	\$ 27,552
Modernization Grant - DHCD	<u>361,674</u>
Total Liabilities and Capital	<u>\$ 389,226</u>

The accompanying notes are an integral  
part of these financial statements.



Statement No. VIIState-Aided Program in ModernizationStatement of Modernization Costs

March 31, 1999

	<u>Work Plan Number 1011</u>
Administration	\$ 5,148
Architectural and Engineering Fees	56,568
Construction Costs	<u>300,651</u>
Total Modernization Costs	\$ 362,367
Less:	
Interest Income	<u>848</u>
Total Modernization Costs (Net)	<u><u>\$ 361,519</u></u>

The accompanying notes are an integral  
part of these financial statements.

Statement No. V/IIIFederally Aided ProgramsBalance Sheets

March 31, 1999

Annual Contributions Contract							
Section 8							
Assets	NY-360	B-111Q	B-111QV	B-1489	B-1489	B-1584	B-1110K
	Public Housing	Existing	Voucher	New Construction	Substantial Rehabilitation	Substantial Rehabilitation	Moderate Rehabilitation
Cash	\$ 1,141,602	\$ 1,133,980	\$ 564,702	\$ 42,163	\$ 77,475	\$ 259,828	-
Accounts Receivable	87,647	562,422	15,715	25,443	45,281	17	\$ 4,101
Advances	118,600	45,000	1,500	-	-	-	-
Investments	2,199,491	595,323	-	-	-	-	-
Debt Amortization Funds	841,513	-	-	-	-	-	-
Deferred Charges	328,233	2,960	505	87	93	392	-
Land, Structures, and Equipment	62,080,377	-	-	44	-	-	-
Modernization Costs	2,381,982	-	-	-	-	-	-
Total Assets	\$ 69,179,445	\$ 2,339,685	\$ 582,422	\$ 67,737	\$ 122,849	\$ 260,237	\$ 4,101
Liabilities and Surplus							
Liabilities:							
Accounts Payable	\$ 468,099	\$ 1,183,715	\$ 172,827	\$ 1,481	\$ 34,405	\$ 51,677	-
Notes Payable	362	-	-	-	-	-	-
Accrued Liabilities	7,970,681	56,246	9,875	-	-	-	-
Deferred Credits	38,280	-	-	26,974	38,227	90,080	-
Fixed Liabilities	21,454,482	-	-	-	-	-	-
Total Liabilities	\$ 29,931,904	\$ 1,239,961	\$ 182,702	\$ 28,455	\$ 72,632	\$ 141,757	-
Surplus	39,247,541	1,099,724	399,720	39,282	50,217	118,480	\$ 4,101
Total Liabilities and Surplus	\$ 69,179,445	\$ 2,339,685	\$ 582,422	\$ 67,737	\$ 122,849	\$ 260,237	\$ 4,101

The accompanying notes are an integral  
part of these financial statements.

## Statement No. IX

## Federally Aided Programs

## Statements of Income and Expenses

Fiscal Year Ended March 31, 1999

		Annual Contributions Contract					
		Section 8					
	NY-360 Public Housing	B-1110 Existing	B-1110V Voucher	B-1489 New Construction	B-1489 Substantial Rehabilitation	B-1584 Substantial Rehabilitation	B-1110K Moderate Rehabilitation
Operating Income:							
Dwelling Rental	\$ 3,289,770	-	-	-	-	-	-
Excess Utilities	185	-	-	-	-	-	-
Interest on Operating Reserve Investments	-	\$ 56,787	\$ 7,598	-	-	-	-
Interest on General Fund Investments	149,647	57,995	10,888	\$ 219	\$ 248	\$ 1,250	-
Other Income	32,414	-	-	-	-	-	-
Total Operating Income	\$ 3,472,016	\$ 114,782	\$ 18,486	\$ 219	\$ 248	\$ 1,250	-
Operating Expenses:							
Administration	\$ 579,182	\$ 899,253	\$ 140,639	\$ 7,564	\$ 7,809	\$ 19,595	\$ 15
Tenant Services	2,238	-	-	-	-	-	-
Utilities	1,302,211	-	-	-	-	-	-
Ordinary Maintenance	1,939,521	-	-	-	-	-	-
Protective Services	55,242	-	-	-	-	-	-
General Expenses	1,007,276	-	-	-	-	-	-
Nonroutine Expenses	185,986	-	-	-	-	-	-
Housing Assistance Payments	-	7,883,750	1,686,424	292,832	414,377	1,011,701	11,709
Total Operating Expenses	\$ 5,071,656	\$ 8,783,003	\$ 1,827,063	\$ 300,396	\$ 422,186	\$ 1,031,296	\$ 11,724

Statement No. IX (Continued)Federally Aided ProgramsStatements of Income and Expenses

Fiscal Year Ended March 31, 1999

## Annual Contributions Contract

## Section 8

	NY-360 Public Housing	B-1110 Existing	B-1110V Voucher	B-1489 New Construction	B-1489 Substantial Rehabilitation	B-1584 Substantial Rehabilitation	B-1110K Moderate Rehabilitation
Net Operating (Loss)	\$ (1,599,640)	\$ (8,668,221)	\$ (1,808,577)	\$ (300,177)	\$ (421,938)	\$ (1,030,046)	\$ (11,724)
Interest on Notes and Bonds Payable	(501,109)	-	-	-	-	-	-
Interest on Debt Service	75	-	-	-	-	-	-
(Loss) from Disposition of Nonexpendable Equipment	(171,903)	-	-	-	-	-	-
Prior Year Adjustments	84,914	1,577	4,105	73	73	155	-
Net (Loss)	\$ (2,187,663)	\$ (8,666,644)	\$ (1,804,472)	\$ (300,104)	\$ (421,865)	\$ (1,029,891)	\$ (11,724)

The accompanying notes are an integral  
part of these financial statements.

Statement No. XFederally Aided ProgramsAnalysis of Surplus

Fiscal Year Ended March 31, 1999

Annual Contribution ContractSection 8

	NY-360 Public Housing	B-1110 Existing	B-1110V Voucher	B-1482 New Construction	B-1482 Substantial Rehabilitation	B-1584 Substantial Rehabilitation	B-1110K Moderate Rehabilitation
<u>Unreserved Surplus</u>							
Balance March 31, 1998	\$ (65,139,380)	\$ (124,983,008)	\$ (18,231,806)	\$ (4,768,689)	\$ (5,692,501)	\$ (14,743,731)	\$ (86,800)
Net (Loss)	(2,187,663)	(8,666,644)	(1,804,472)	(300,104)	(421,865)	(1,029,891)	(11,724)
Provision for Operating Reserve	(247,254)	(163,009)	(50,697)	(5,398)	(6,269)	(18,498)	(2,209)
HUD Adjustment	-	2,714,833	(224,832)	-	-	-	-
Provision for Project Account	-	(605,238)	(271,856)	(2,128)	(29,579)	(157,482)	(19,667)
Balance March 31, 1999	\$ (67,574,297)	\$ (131,703,066)	\$ (20,583,663)	\$ (5,076,319)	\$ (6,150,214)	\$ (15,949,602)	\$ (120,400)
<u>Operating Reserve</u>							
Balance March 31, 1998	\$ 2,753,024	\$ 481,001	\$ 349,059	\$ 35,205	\$ 43,948	\$ 99,985	\$ 1,892
Provision for Operating Reserve	247,254	163,009	50,697	5,398	6,269	18,498	2,209
Balance March 31, 1999	\$ 3,000,278	\$ 644,010	\$ 399,756	\$ 40,603	\$ 50,217	\$ 118,483	\$ 4,101
<u>Project Account Unfunded</u>							
Balance March 31, 1998	-	\$ 6,706,285	\$ 1,027,227	-	\$ 48,646	\$ 118,853	\$ 71,109
Provision for Project Account	-	605,238	271,856	2,128	29,579	157,482	19,667
HUD Adjustment	-	(2,714,833)	224,832	-	-	-	-
Balance March 31, 1999	-	\$ 4,596,690	\$ 1,523,915	\$ 2,128	\$ 78,225	\$ 276,335	\$ 90,776

Statement No. X (Continued)

Federally Aided Programs

Analysis of Surplus

Fiscal Year Ended March 31, 1999

		Annual Contribution Contract Section 8					
		B-1110	B-1110V	B1482	B-1482	B-1584	B-1110K
		Existing	Voucher	New	Substantial	Substantial	Moderate
				Construction	Rehabilitation	Rehabilitation	Rehabilitation
Cumulative Annual Contributions	NY-360						
	Public						
	Housing						
	\$ 76,927,530	\$ 118,331,547	\$ 17,204,543	\$ 4,750,540	\$ 5,643,855	\$ 14,624,875	\$ 15,691
	1,253,906	8,829,653	1,855,169	305,502	428,134	1,048,389	13,933
	1,984,704	-	-	-	-	-	-
	-	-	-	16,828	-	-	-
	\$ 80,166,140	\$ 127,161,200	\$ 19,059,712	\$ 5,072,870	\$ 6,071,989	\$ 15,673,264	\$ 29,624
Cumulative Donations	Balance March 31, 1998	\$ 400,890	-	-	-	-	-
	Donations Received	-	-	-	-	-	-
	Balance March 31, 1999	\$ 400,890	-	-	-	-	-
Cumulative Modernization Grants							
	Balance March 31, 1998		-	-	-	-	-
	Modernization Funds Received	-	-	-	-	-	-
	Balance March 31, 1999	-	-	-	-	-	-
	\$ 39,247,541	\$ 1,099,724	\$ 399,720	\$ 39,282	\$ 50,217	\$ 118,480	\$ 4,101

The accompanying notes are an integral part of these financial statements.



Statement No. XIFederally Aided ProgramsComputation of Residual Receipts and  
Accruing Annual Contributions

Fiscal Year Ended March 31, 1999

Public HousingAnnual Contributions  
Contract NY-360Computation of Residual Receipts

Operating Receipts:	
Operating Income	\$ 3,472,016
Operating Subsidy	1,984,704
Prior Year Adjustment	84,914
Total Operating Receipts	<u>\$ 5,541,634</u>
Operating Expenses:	
Operating Expenses	\$ 5,071,656
Capital Expenditures	222,724
Total Operating Expenses	<u>\$ 5,294,380</u>
Residual Receipts per Audit	\$ 247,254
Provision for Operating Reserve	<u>(247,254)</u>
Residual Receipts per Authority	<u>-</u>

Computation of Accruing Annual Contributions

Accruing Annual Contributions	<u>\$ 1,253,906</u>
-------------------------------	---------------------

The accompanying notes are an integral  
part of these financial statements.

Statement No. XIIFederally Aided ProgramsComputation of Annual Contributions Earned and  
Project Account – Operating Reserve Changes

Fiscal Year Ended March 31, 1999

	Annual Contributions Contract				
	Section 8				
	B-1110	B-1110V	B-1489	B-1489	B-1110K
	Existing	Voucher	New	Substantial	Moderate
			Construction	Rehabilitation	Rehabilitation
Maximum Annual Contributions Available					
Maximum Annual Contributions Commitment	\$ 9,434,891	\$ 2,127,024	\$ 324,458	\$ 457,712	\$ 33,600
Project Account at Beginning of Year	6,706,285	1,027,227	-	48,646	71,109
HUD Adjustment	(2,714,833)	224,832	-	-	-
Total Annual Contributions Available	\$ 13,426,343	\$ 3,379,083	\$ 324,458	\$ 506,358	\$ 104,709
Annual Contributions Required					
Housing Assistance Payments	\$ 7,883,750	\$ 1,686,424	\$ 292,832	\$ 414,377	\$ 11,709
Administrative Fees Earned	988,362	176,736	12,590	13,613	2,209
Hard-to-House Fees Earned	7,200	1,170	-	-	-
Audit Costs	8,336	1,727	299	392	15
Total Funds Required	\$ 8,887,648	\$ 1,866,057	\$ 305,721	\$ 428,382	\$ 13,933
Less: Project Receipts Other than					
Annual Contributions	57,995	10,888	219	248	-
Total Annual Contributions Required	\$ 8,829,653	\$ 1,855,169	\$ 305,502	\$ 428,134	\$ 13,933
Project Account Change					
Provision for Project Account	\$ 605,238	\$ 271,856	\$ 18,956	\$ 29,579	\$ 19,667
Prior Year Deficit	-	-	(16,828)	-	-
Provision for Project Account	\$ 605,238	\$ 271,856	\$ 2,128	\$ 29,579	\$ 19,667

## Statement No. XII (Continued)

## Federally Aided Programs

Computation of Annual Contributions Earned and  
Project Account – Operating Reserve Changes

Fiscal Year Ended March 31, 1999

	Annual Contributions Contract				
	Section 8				
	B-1110	B-1110V	B-1489	B-1489	B-1110K
	Existing	Voucher	New	Substantial	Moderate
			Construction	Rehabilitation	Rehabilitation
Annual Contributions Earned					
Lesser of Contributions Available or					
Contributions Required	\$ 8,829,653	\$ 1,855,169	\$ 305,502	\$ 428,134	\$ 13,933
Operating Reserve Change					
Operating Income	\$ 114,782	\$ 18,486	\$ 219	\$ 248	-
Annual Contributions Earned	8,829,653	1,855,169	305,502	428,134	13,933
Total Operating Receipts	\$ 8,944,435	\$ 1,873,655	\$ 305,721	\$ 428,382	\$ 13,933
Operating Expenses					
Operating Expenses	\$ 8,783,003	\$ 1,827,063	\$ 300,396	\$ 422,186	\$ 11,724
Prior Year Adjustments	(1,577)	(4,105)	(73)	(73)	-
Total Operating Expenses	\$ 8,781,426	\$ 1,822,958	\$ 300,323	\$ 422,113	\$ 11,724
Provision for Operating Reserve	\$ 163,009	\$ 50,697	\$ 5,398	\$ 6,268	\$ 2,209

The accompanying notes are an integral  
part of these financial statements.

Statement No. XIIIFederally Aided ProgramsFederal Public Housing Drug Elimination Program  
Authority's Financial Status Report

Fiscal Year Ended March 31, 1999

	Program MA06DEP			
	<u>035194</u>	<u>035196</u>	<u>035197</u>	<u>035198</u>
Transaction Outlay	\$ 307,900 (1)	\$ 385,895 (2)	\$ 182,486 (3)	\$ 33,749 (4)
Recipient's Share of Outlay (In-Kind)	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>-</u>
Federal Share of Net Outlay	\$ 292,900	\$ 370,895	\$ 182,486	\$ 33,749
Federal Share of Outlay	<u>292,900</u>	<u>370,895</u>	<u>182,486</u>	<u>33,749</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

1. The transaction outlay as shown above on the Authority's Financial Status Report dated December 12, 1996, which was submitted to HUD for approval, is in agreement with the Authority's records.
2. The transaction outlay as shown above on the Authority's Financial Status Report dated August 4, 1999, which was submitted to HUD for approval, is in agreement with the Authority's records.
3. The transaction outlay as shown above on the Authority's Financial Status Report dated August 23, 1999, which was submitted to HUD for approval, is in agreement with the Authority's records.
4. The transaction outlay as shown above on the Authority's Financial Status Report dated August 23, 1999, which was submitted to HUD for approval, is in agreement with the Authority's records.

The accompanying notes are an integral  
part of these financial statements.

Statement No. XIVFederally Aided ProgramsAuthority's Statement and Certification of  
Actual Modernization Costs

March 31, 1999

	<u>Program</u>	
	<u>MA06PO3570596</u>	<u>MA06PO3570697</u>
Funds Approved	\$ 2,471,236 (1)	\$ 2,412,696 (2)
Funds Expended	<u>2,471,236</u>	<u>2,412,696</u>
	<u>-</u>	<u>-</u>
Funds Advanced	\$ 2,471,236	\$ 2,412,696
Funds Expended	<u>2,471,236</u>	<u>2,412,696</u>
	<u>-</u>	<u>-</u>

1. The distribution of costs as shown on the Financial Statement of Modernization Costs dated October 5, 1998, which accompanied the Actual Modernization Cost Certificate submitted to HUD for approval, is in agreement with the Authority's records.
2. The distribution of costs as shown on the Financial Statement of Modernization Costs dated May 28, 1999, which accompanied the Actual Modernization Cost Certificate submitted to HUD for approval, is in agreement with the Authority's records.

The accompanying notes are an integral  
part of these financial statements.





## NOTES TO FINANCIAL STATEMENTS

1. Reporting Entity

The Springfield Housing Authority is authorized by and operates under the provisions of Chapter 121B of the Massachusetts General Laws, as amended. The Authority operates and administers low-rent housing programs, which are funded/assisted by the Commonwealth's Department of Housing and Community Development (DHCD) and the U.S. Department of Housing and Urban Development (HUD). The Authority is governed by five members. (See Organization section of this report.)

All operations and programs for which the Authority has oversight responsibility are included in the Financial Statements section of this report. Oversight responsibility is derived from a number of criteria, including financial interdependency, selection of governing authority, designation of management, ability to influence operations, and accountability for financial matters.

2. Significant Accounting Policies

a. State-Aided Programs: The Springfield Housing Authority prepares its financial statements for its state-aided programs on the basis of accounting prescribed by DHCD. Under this method of accounting, the Authority's operations are not considered to be self-sustaining, and, therefore, its financial statements do not show provisions for depreciation of structures and equipment. Capital facilities are financed either by grants from the Commonwealth or by debt, which the Commonwealth guarantees and subsidizes. The Authority also receives from the Commonwealth additional subsidies that are applied to operating deficits.

b. Federally Aided Programs: Financial statements for federally aided housing assistance programs are prepared on the basis of accounting prescribed by HUD. Under this method of accounting, the Authority's operations are not considered to be self-sustaining, and, therefore, its financial statements do not show provisions for depreciation of structures and equipment. Materials and supplies are expensed to operations or capitalized, as applicable.

### 3. Pension Plan Obligations

Authority employees participate in the Commonwealth of Massachusetts Contributory Retirement System established under Chapter 32 of the General Laws of Massachusetts. The Authority's annual share of its retirement plan contributions is recognized as an expense in the fiscal year the contribution is made.

### 4. Related Parties

The Springfield Housing Authority has two related-party affiliations, the first being a nonprofit organization, the Springfield Housing Associates Inc., (SHA, Inc.), which has the same management organization as the Authority, and a second for-profit corporation entitled Memorial Parish House Inc., (MPH Inc.), which was formed to renovate and reconstruct the Memorial Parish House renovations and reconstruction. The purpose of the corporation is primarily to market and sell Low-Income Tax credits associated with the Memorial Parish House Development. MPH Inc., has an affiliated limited partnership, Memorial Parish House Limited Partnership, whose primary purpose is to complete the development of the Parish house into 23 units of low-income housing. The Executive Director of the Springfield Housing Authority is the Secretary of SHA, Inc., and President of the Memorial Parish House, Inc.

### 5. Related Party Transaction

At a board meeting held on April 24, 1995, the Springfield Housing Authority authorized a loan of \$500,000 from its federal Section 8 Program operating reserves to SHA, Inc., for the rehabilitation and reconstruction of the Memorial Parish House into 23 units of low-income housing. The board certified that the planned expenditure was necessary, reasonable, and consistent with the Springfield Housing Authority's purposes under Massachusetts law and local ordinances.

Under the terms and conditions of the loan, all interest, principal, and other payments due shall be payable on July 17, 2016 (the maturity date). In the event of any default of the borrower or other conditions stated herein, no payments of interest or principal or other amounts due under this note shall be

due by the borrower to the lender before the maturity date. The amount due at maturity will be approximately \$1,943,000. The borrower has the option to request an extension of the maturity date for a period of up to the original term of this note in order to maintain the affordability of the housing acquired and rehabilitated at the Memorial Parish House at 2039 Main Street with the assistance of the proceeds of this note.

6. Springfield/St. James Section 8 Financial Adjustment Factor (FAF) Refunding Agreement

The Springfield Housing Authority entered into an agreement on August 19, 1994 with HUD to refinance the Springfield/St. James Mortgage Revenue Bonds totaling \$2,205,000 issued July 1, 1982.

The project was financed by the Authority with a financing adjustment factor under Section 8 of the United States Housing Act of 1937, as amended. Pursuant to the Act, 50 percent of the funds recaptured from the refinancing of this project are to be made available to the Authority.

The established total savings of the refinancing will be approximately \$523,023 with the Authority's share amounting to \$261,512, payable to the Authority in semiannual installments over an eight-year period.

The Authority's "Plan for Use of Savings," approved by HUD, requires that the Authority use these funds for the benefit of households of very low income (as provided in the United States Housing Act of 1937, as amended), or to address various capital needs throughout the Authority that would complement and supplement the Authority's Comprehensive Grant Program. During the fiscal year ended March 31, 1999, the Authority received \$62,017 in FAF funds and expended \$62,017 on kitchen and bath renovations at various Authority apartments.

7. Lease Commitments

The Springfield Housing Authority entered into two Municipal Lease and Option Agreements with Baybank, N.A. in order to finance the acquisition and installation of water heater equipment and accessories for the purpose of reducing water heating costs at two of its State-Aided 200 Program Buildings. The contract for Robinson Gardens, Program 200-3, was entered into on October 2, 1995 with

total lease payments at completion being \$315,588. The contract for Duggan Park, Program 200-2, was entered into on October 6, 1995 with total lease payments at completion being \$526,001. Total lease payments made by the Authority as of the fiscal year ended March 31, 1999 were as follows:

<u>Robinson</u>	<u>Duggan</u>	<u>Totals</u>
<u>\$215,651</u>	<u>\$324,368</u>	<u>\$540,019</u>

The future annual payments until expiration of these leases is as follows:

<u>Fiscal Year Ending</u>	<u>Robinson</u>	<u>Duggan</u>	<u>Totals</u>
March 31, 2000	\$63,118	\$105,200	\$168,318
March 31, 2001	<u>\$36,819</u>	<u>\$ 96,433</u>	<u>\$133,252</u>
	<u>\$99,937</u>	<u>\$201,633</u>	<u>\$301,570</u>

SUPPLEMENTARY SCHEDULE  
Schedule of Expenditures of Federal Awards

Fiscal Year Ended March 31, 1999

<u>Department of Housing and Urban Development</u>	Federal CFDA Number <sup>1</sup>	Annual Contributions Contract	Federal Assistance Received	<u>Expenditures</u>
<u>Section 8 Cluster:</u>				
Section 8 Rental Certificate Program	14.857	B-1110	\$ 8,944,435	\$ 8,781,426
Section 8 Rental Voucher Program	14.855	B-1110V	1,873,655	1,822,958
Section 8 New Construction and Substantial Rehabilitation	14.182	B-1489	305,721	300,323
Section 8 Moderate Rehab.:				
Moderate	14.856	B-1110K	13,933	11,724
Rehab. I	14.856	B-1489	428,382	422,113
Rehab. II	14.856	B-1584	<u>1,049,639</u>	<u>1,031,141</u>
Total Section 8 Cluster			<u>\$12,615,765</u>	<u>\$12,369,685</u>
Public Housing	14.850	NY-360	<u>\$ 3,238,610</u>	<u>\$ 5,294,380</u>
Public Housing Drug Elimination Program	14.854	MA06DEP035194	\$ 292,900	\$ 292,900
	14.854	MA06DEP035196	370,895	370,895
	14.854	MA06DEP035197	182,486	182,486
	14.854	MA06DEP035198	<u>33,749</u>	<u>33,749</u>
			<u>\$ 880,030</u>	<u>\$ 880,030</u>
Public Housing - Comprehensive Improvement Program	14.852	MA06PO3570596	\$ 2,471,236	\$ 2,471,236
	14.852	MA06PO3570697	<u>2,412,696</u>	<u>2,412,696</u>
			<u>\$ 4,883,932</u>	<u>\$ 4,883,932</u>
			<u>\$21,618,337</u>	<u>\$23,428,027</u>

<sup>1</sup> Refer to Catalog of Federal Domestic Assistance.







# The Commonwealth of Massachusetts

## AUDITOR OF THE COMMONWEALTH

ONE ASHBURTON PLACE, ROOM 1819  
BOSTON, MASSACHUSETTS 02108

A. JOSEPH DeNUCCI  
AUDITOR

TEL. (617) 727-6200

2000-3002-8

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### REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Sadie B. Johnson, Chairperson  
Springfield Housing Authority  
25 Saab Court  
Springfield, Massachusetts 01101

#### Compliance

We have audited the compliance of the Springfield Housing Authority with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the provisions of the Public and Indian Housing Compliance Supplement dated June 1995, that are applicable to each of its major federal programs for the fiscal year ended March 31, 1999. The Springfield Housing Authority's major federal programs are identified in the Summary of Audit Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Springfield Housing Authority's management. Our responsibility is to express an opinion on the Springfield Housing Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; OMB Circular A-133, Audits of States, Local Governments,



and Non-Profit Organizations; and the provisions of the Public and Indian Housing Compliance Supplement dated June 1995. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Springfield Housing Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Springfield Housing Authority's compliance with those requirements.

In our opinion, the Springfield Housing Authority complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the fiscal year ended March 31, 1999.

#### Internal Control over Compliance

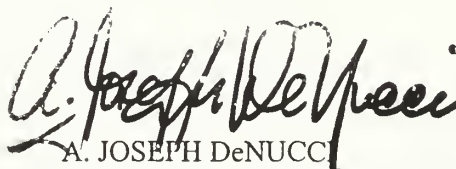
The management of the Springfield Housing Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We

noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the Springfield Housing Authority's Board of Commissioners, management, the Commonwealth's Department of Housing and Community Development, the U.S. Department of Housing and Urban Development, and other federal audit agencies. However, this report is a matter of public record, and its distribution is not limited.

December 10, 1999



A. JOSEPH DeNUCCI  
Auditor of the Commonwealth



## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Fiscal Year Ended March 31, 1999

## SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the Springfield Housing Authority.
2. The audit disclosed no instances of noncompliance material to the financial statements.
3. The auditor's report on compliance for its major programs expresses an unqualified opinion.
4. The Authority administered the following major programs:

Section 8 Rental Certificate Program	CFDA No. 14.857
Section 8 Rental Voucher Program	CFDA No. 14.855
Section 8 Moderate Rehabilitation	CFDA No. 14.856
Section 8 New Construction and Substantial Rehabilitation	CFDA No. 14.182
Public Housing	CFDA No. 14.850
Public Housing – Comprehensive Improvement Program	CFDA No. 14.852
Public Housing Drug Elimination Program	CFDA No. 14.854
5. The threshold used to distinguish Type A and Type B programs was \$300,000.
6. The Authority was determined to be a low-risk auditee.



## SUPPLEMENTARY INFORMATION

1. Audit Review

At the conclusion of our audit, we reviewed the results of our audit with Raymond B. Asselin, Executive Director, and various other officials of the Springfield Housing Authority.

2. State-Aided Housing Programs

The Authority currently operates the following state-aided housing programs:

<u>Program</u>	<u>Type</u>	<u>Number of Units</u>	
		<u>Available</u>	<u>Occupied</u>
200-1/8	Family Housing	50	50
400	Family and Elderly Housing	847	847
667-5/8	Elderly Housing	102	102
689	Special Needs Housing	43	43
705-1/8	Low-Income Family Housing	20	20
MRVP	Mass. Rental Voucher Program	320	320
		<u>1,382</u>	<u>1,382</u>

3. Federally Aided Housing Programs

The Authority currently administers the following federally aided housing programs:

<u>Program</u>	<u>Type</u>	<u>Number of Units</u>
Section 8	Rental Certificate and Voucher Programs	2,120
Public Housing	Low-Income and Elderly Housing	<u>1,327</u>
		<u>3,447</u>





## ORGANIZATION

March 31, 1999

The Springfield Housing Authority is authorized by and operates under the provisions of Chapter 121B of the Massachusetts General Laws, as amended, which is known as the Housing and Urban Renewal Law. Raymond B. Asselin is the Executive Director.

The Authority's administrative office is located at 25 Saab Court, Springfield. As of March 31, 1999, the Authority was organized as follows:

Members

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Sadie B. Johnson 615-B Bay Street Springfield	Chairperson	March 2000
Nicholas F. Fiorentino 156 Bolton Street Springfield	Vice-Chairperson	March 2003
Aretha L. Matthews 46 Sanderson Street Springfield	Treasurer	April 1999
Athan Catjakis 127 Melha Avenue Springfield	Secretary	March 2002
Daniel T. Malone 197 Davis Street Springfield	Assistant Secretary	March 2001





The first part of the paper discusses the importance of the study of the history of the United States. It is argued that the study of the history of the United States is essential for a full understanding of the country and its people. The second part of the paper discusses the importance of the study of the history of the United States. It is argued that the study of the history of the United States is essential for a full understanding of the country and its people. The third part of the paper discusses the importance of the study of the history of the United States. It is argued that the study of the history of the United States is essential for a full understanding of the country and its people. The fourth part of the paper discusses the importance of the study of the history of the United States. It is argued that the study of the history of the United States is essential for a full understanding of the country and its people. The fifth part of the paper discusses the importance of the study of the history of the United States. It is argued that the study of the history of the United States is essential for a full understanding of the country and its people. The sixth part of the paper discusses the importance of the study of the history of the United States. It is argued that the study of the history of the United States is essential for a full understanding of the country and its people. The seventh part of the paper discusses the importance of the study of the history of the United States. It is argued that the study of the history of the United States is essential for a full understanding of the country and its people. The eighth part of the paper discusses the importance of the study of the history of the United States. It is argued that the study of the history of the United States is essential for a full understanding of the country and its people. The ninth part of the paper discusses the importance of the study of the history of the United States. It is argued that the study of the history of the United States is essential for a full understanding of the country and its people. The tenth part of the paper discusses the importance of the study of the history of the United States. It is argued that the study of the history of the United States is essential for a full understanding of the country and its people.